

## GL.020.004 - ENTERING ENCUMBRANCE JOURNALS

<b>Purpose</b>	<ul style="list-style-type: none"> <li>To identify the purposes for entering an encumbrance journal.</li> <li>To identify where users can specify the Commitment Control amount type for a journal entry.</li> <li>To describe how encumbrance journals can be edited, budget checked and posted.</li> <li>To enter an encumbrance journal.</li> </ul>
<b>Description</b>	<p>GeorgiaFIRST uses Encumbrance, Pre-Encumbrance and Actuals, Recognized and Collected types. This type of transaction updates the encumbered/pre-encumbered amounts in the Commitment Control ledgers. Encumbrance transactions entered via journals must be manually relieved by entering a reversing transaction. Users complete these transactions directly in the Commitment Control ledgers rather than through Purchasing.</p> <p>Generally, users enter encumbrance journals to reserve funds or to liquidate an encumbrance. Through the Header page of a journal entry, users can specify the Commitment Control Amount type. The different types include:</p> <ul style="list-style-type: none"> <li>Actuals and Recognized</li> <li>Encumbrance</li> <li>Pre-Encumbrance</li> <li>Collected Revenue</li> <li>Actuals, Recognized and Collected</li> <li>Planned</li> </ul>
<b>Security Role</b>	BOR_GL_JOURNAL_ENTRY
<b>Dependencies/Constraints</b>	<ul style="list-style-type: none"> <li>Appropriate budgets must exist for transactions.</li> <li>The offset encumbrance account (381100) cannot be used in encumbrance journals. However, the offset account is created in the Detail ledger.</li> </ul>
<b>Additional Information</b>	

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|  | <ul style="list-style-type: none"><li>• Encumbrance journals can be edited and budget checked in batch. However, to post encumbrance journals refer to business process <a href="#">KK.020.021 - Marking Commitment Control Journals to Post.</a></li><li>• Encumbrance journal debits and credits may not equal. These journals post to Commitment Control, and therefore, do not need to be balanced.</li></ul> |
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## Procedure

Below are step by step instructions on how to add an encumbrance journal to correct a previously recorded encumbrance

Step	Action
1.	Click the <b>NavBar</b> icon.
2.	Click the <b>Navigator</b> icon.
3.	Click the <b>General Ledger</b> link.
4.	Click the <b>Journals</b> link.
5.	Click the <b>Journal Entry</b> link.
6.	Click the <b>Create/Update Journal Entries</b> link.
7.	Click the <b>Add</b> button. The system navigates to the Create/Update Journal Entries page.
8.	Enter Description in the <b>Long Description</b> field.
9.	Use the <b>Ledger Group</b> field to enter the ledger group, where the user wants to post the journal. Enter Ledger Group in the <b>Ledger Group</b> field.
10.	Enter a Source in the <b>Source</b> field.
11.	Click the <b>Commitment Control</b> link. The system generates the Commitment Control popup window.
12.	Under the Commitment Control Amount Type, click the <b>Encumbrance</b> option.  <i><b>Note:</b> GeorgiaFIRST only uses the Encumbrance, Pre-Encumbrance and Actuals, Recognize and Collected types.</i>
13.	Click the <b>OK</b> button.
14.	Click the <b>Lines</b> tab. The <b>Lines</b> page records transactions that comprise a journal. A single journal entry must be at least two lines in length because total debits must equal total credits for a single journal entry. The account numbers entered here classify the nature of a transaction.
15.	Enter an Account number in the <b>Account</b> field.
16.	Enter a Fund number in the <b>Fund</b> field.
17.	Enter a Department number in the <b>Department</b> column.
18.	Enter a Program number in the <b>Program</b> field.
19.	Enter a Class number in the <b>Class</b> field.
20.	Enter an Amount in the <b>Amount</b> field.
21.	Click the <b>Insert Lines</b> button. When lines are added, the fields specified in the journal line copy down feature in the journal entry template populate automatically.

Step	Action
22.	Enter an Account number in the <b>Account</b> field. The <b>Amount</b> field for the second row defaults to the amount to balance the journal.  <i><b>Note:</b> Encumbrance journal debits and credits may not be equal.</i>
23.	Click the horizontal scrollbar to verify the journal entry is correct.
24.	Click the <b>Save</b> button.
25.	Choose <b>Edit Journal</b> from the Process drop down menu and click the <b>Process</b> button. The Edit Journal process option initiates the journal edit and budget checking processes, if security allows.
26.	The <b>Edit Journal</b> process is completed with a <b>V (Valid)</b> edit and budget check. Users can only post a journal with a valid journal status that also passed budget checking. Users can edit and budget check encumbrance journals in batch. However, to post encumbrance journals please refer to business process <a href="#">KK.020.021 - Mark KK Journals to Post.</a>